



First Parish in Malden, Universalist

Proposed Budget

July 1, 2021 – June 30, 2022

Introduction

Despite the Covid-19 Pandemic, the financial situation of the Church remains strong. Forgivable Payroll Protection Program loans offset some costs, our major tenant continued to use their rented space and make expected payments, annual pledges exceeded initial expectations, and most importantly the stock market far outperformed the labor economy. Even after accounting for the upcoming significant expense of the fire box repair, the endowment will end the year more than fifteen percent larger than it began – gains on the order of a half million dollars.

Considering this financial situation, the board is recommending a larger budget than in prior years to support our mission to look beyond the physical, virtual, and metaphorical walls of the church.

Under this budget proposal...

- We provide fair compensation for the work done by our staff.
 - Our administrator will be offered a promotion from “office administrator” to “congregational administrator” in line with her present duties and UUA job descriptions. Andrea will also be increasing to 25 hours per week (up from 20). Overall, this accounts for roughly \$10,000 in increased spending.
 - All other permanent employees will receive a 1.5% pay raise, in line with regional cost of living increases and slightly above the national recommendation of the UUA.
 - We budget \$5000 to pay our Affiliated Community Minister for work done specifically for First Parish. Rev. Aisha has been paid from Emergency Funds for work done with our racial justice working group and pastoral services when Rev. Otto has been unavailable.
- We take care to improve and maintain our church building. The major capital expense in the coming year will be replacement of the boilers that heat the Sanctuary and Durgin Hall. They are past their end of life. The expense is expected to approach \$75,000. This is a \$41,000 increase over last year’s budgeted capital expense, although that budget did not account for the emergency fire box repair.

- We improve accessibility by committing to make online worship participation possible after our return to the Sanctuary, increasing the IT budget approximately \$6000 to implement high quality hybrid services.
- We continue to leverage the immense privilege of our endowment for the good of the broader Malden community by continuing to offer \$24,000 in grant funding through the Social Justice category. The impact that these grants have on our neighbors is massive, and it's a joy to be able to provide this level of impact with just five percent of our recent investment gains.

The following pages include all spending budgeted for the Fiscal Year ending June 2022 (FY22), with the prior two years' budget amounts for comparison. Note that the FY21 budget was for a full year of remote church, and the FY20 budget was passed expecting a full year in person. Actual spending is incomplete for FY21, and the pandemic meant expenses were not as expected in FY20. So actual spending by category is not included here, although the Board's budget subcommittee did investigate actual costs from the most recent appropriate year in planning this proposal.

Percent changes are included here only if they exceed \$250 and 10% of the prior year's matching budget line.

	Proposed FY 21-22	Change	Notes	(This Year) FY 20-21	(In Person) FY 19-20
Income					
4003 · Collin Dennis Trust	13,132.00			13,132.00	13,132.00
4005 · King's Daughters Savings	1,000.00			1,000.00	1,000.00
4010 · Eastern Bank Portfolio - Income	15,000.00	+25%		12,000.00	15,000.00
4210 · RE Grants & Offerings	0.00			0.00	900.00
4220 · Special Events Income	0.00	-100%		3,000.00	950.00
4240 · Plate	2,500.00	-17%	More Online Giving	3,000.00	4,100.00
4241 · Children's Offering	0.00			0.00	250.00
4250 · Space Use	60,000.00			60,000.00	58,680.00
4284 · U Church School Union Trust	900.00			1,000.00	1,000.00
4294 · Pledges	55,000.00			55,000.00	52,345.00
4340 · Hospitality Donations	0.00			0.00	150.00
4360 · Ministerial discretionary deposit	2,600.00	New	Accounting change		
4325 · Special Flower Income	2,200.00	+1000%	Begin investing flower fund	200.00	
Total Income	152,332.00			148,332.00	147,507.00

Expenses	<u>FY 21-22</u>	Change	Notes	<u>FY 20-21</u>	<u>FY 19-20</u>
6000 · Professional Service Expense					
6001 · Portfolio Management	22,000.00	+29%	Scales with Endowment Returns	17,000.00	17,000.00
6002 · Accounting Fees	5,000.00	+43%	Match Actuals from 19-20	3,500.00	2,500.00
Total 6000 · Professional Service Expense	27,000.00			20,500.00	19,500.00
6010 · Ministerial Services					
6011 - Ministerial Discretionary Expenses	2,600.00	New	Accounting Change		
6012 · Housing	30,000.00	New	Accounting Change	0.00	0.00
6013 · Life Insurance	599.00			599.00	555.00
6014 · LTD	927.00			927.00	817.93
6015 · Medical + Dental	10,031.00			11,000.00	11,000.00
6016 · Retirement	7,236.95			7,130.00	6,816.10
6017 · Professional Expense	7,236.95			7,130.00	6,816.10
6018 · Salary	42,369.50	-41%	Moved to Housing Allowance	71,300.00	68,160.96
XXXX · Affiliate Ministers	5,000.00	New	Parish work by Affiliated Comm. Minister		
6019 · FICA	5,536.27			5,454.45	5,214.31
Total 6010 · Ministerial Services	111,536.67			103,540.45	99,380.40
6020 · Building Expense					
6021 · Maintenance	6,500.00			6,500.00	15,000.00
6022 · Capital Expense	75,000.00	+124%	Boiler Replacements	33,500.00	48,500.00
6023 · Electricity	10,000.00	+82%	Reflects Actuals	5,500.00	5,500.00
6024 · Fuel	18,000.00			18,000.00	18,000.00
6025 · Insurance	10,710.00			11,500.00	11,000.00
6026 · Security	500.00			500.00	400.00
6027 · Supplies	5,000.00			5,000.00	5,000.00
6028 · Water/Sewer	800.00			800.00	800.00
6029 · Security - Opening & Closing	600.00			600.00	300.00
6030 · Snow & Ice Removal	2,000.00			2,000.00	2,000.00
6031 · Lawn Care	1,300.00			1,300.00	1,300.00
6032 · Cleaning	9,000.00			9,000.00	9,000.00
Total 6020 · Building Expense	139,410.00			94,200.00	116,800.00

	FY 21-22	Change	Notes	FY 20-21	FY 19-20
6035 · Emergency Funds	5,000.00			5,000.00	
6040 · Office Expense					
6041 · Copier	450.00			450.00	300.00
6042 · Office Supplies	1,000.00			1,000.00	1,000.00
6043 · Postage	500.00			600.00	800.00
Total 6040 · Office Expense	1,950.00			2,050.00	2,100.00
6050 · Membership and Outreach					
6051 · Membership	1,500.00			1,300.00	1,460.00
6052 · Outreach	3,000.00			3,000.00	1,600.00
6053 · Fundraising	600.00			600.00	200.00
6454 - Share the Plate Donation	500.00	New	Accounting improvement		
Total 6050 · Membership and Outreach	5,600.00			4,900.00	3,260.00
6060 · IT & Phone					
6061 · Telephone & Internet	2,000.00	+33%	Final year internet contract	1,500.00	2,000.00
6062 · Software & Services	600.00			600.00	600.00
6063 · IT Equipment	8,000.00	+344%	Streaming Hardware	1,800.00	100.00
Total 6060 · IT & Phone	10,600.00			3,900.00	2,700.00
6070 Board Discretionary Fund	400.00			400.00	200.00
6080 Stewardship	500.00			500.00	500.00
6090 · Program Expense					
6093 · UUA (Fair Share)	8,444.00			7,676.00	6,978.00
6097 · National UU organizational Support	500.00			300.00	200.00
6098 · Leadership Development	3,000.00	+200%	Beloved Conversations	1,000.00	2,000.00
6099 · CUUPS Dues	30.00			30.00	30.00
Total 6090 · Program Expense	11,974.00			9,006.00	9,208.00

	<u>FY 21-22</u>	Change	Notes	<u>FY 20-21</u>	<u>FY 19-20</u>
6100 · Benefits & Related Expenses					
6101 · Retirement Plan - RE Director	2,537.50	New	Qualified since prior budget cycle	0.00	2,600.00
6102 · Retirement Plan - Music Director	2,537.50	New	Qualified since prior budget cycle	0.00	0.00
6103 · Health Insurance - Music Director	0.00			0.00	3,000.00
6104 · Payroll Taxes	8,189.64	+31%	Proportional to Salaries	6,256.01	6,222.17
6105 · Retirement Plan - Custodian	2,630.40			2,591.00	2,511.25
6106 · Health Insurance - RE Director	0.00			0.00	3,000.00
6107 · Workers Compensation Premiums	2,044.00	-32%	New Insurer - Church Mutual	3,000.00	3,000.00
6108 · Music Dir - Professional Devel	2,537.50			2,500.00	0.00
6109 · RE - Professional Development	2,537.50			2,500.00	2,535.75
6117 · Health Insurance - Admin	0.00			0.00	3,000.00
6118 · Retirement Plan - Admin	3,000.00	+50%	Proportional to Salary	1,998.80	1,900.00
6119 · Admin - Professional Development	300.00			300.00	75.00
Total 6100 · Benefits & Related Expenses	<u>26,314.04</u>			<u>19,145.81</u>	<u>21,622.00</u>
6110 · Salaries					
6111 · Music Director - Salary	25,375.00			25,000.00	23,000.00
6112 · P/T Admin - Salary	30,000.00	+50%	Promotion, added hours	19,988.00	19,000.00
6113 · Custodian - Salary	26,304.10			25,915.37	25,357.50
6114 · RE Director - Salary	25,375.00			25,000.00	26,000.00
6115 · Child Care - Salary	7,000.00	+40%	Full year, in-person	5,000.00	7,000.00
Total 6110 · Salaries	<u>114,054.10</u>			<u>100,903.37</u>	<u>100,357.50</u>
6120 · Religious Education					
6122 · Child Care - non payroll	300.00			300.00	300.00
6123 · Supplies, Program	500.00			300.00	800.00
6124 · Curricula and Resources	300.00			300.00	200.00
6125 · Events	200.00			200.00	100.00
6129 · Workshop/Trainings	800.00			800.00	0.00
Total 6120 · Religious Education	<u>2,100.00</u>			<u>1,400.00</u>	<u>1,400.00</u>

	FY 21-22	Change	Notes	FY 20-21	FY 19-20
6160 · Hospitality					
6161 · Sunday Morning Beverages	700.00			700.00	625.00
6162 · Sunday Morning Food	400.00			400.00	400.00
6163 · Sunday Morning Supplies	150.00			150.00	150.00
Total 6160 · Hospitality	1,250.00			1,250.00	1,175.00
6180 · Flowers & Greenery	2,000.00	+100%	Use more flower fund income	1,000.00	1,200.00
6210 · Pastoral Care - 6216 · Cards & Flowers	500.00			500.00	100.00
6220 · Social Justice	25,400.00	+1714%	Community Grants (out of Emergency)	1,400.00	1,400.00
6230 · Small Group Ministry	50.00			50.00	0.00
6250 · Music and Worship					
6251 · Materials and Resources	800.00			800.00	450.00
6255 · Organ/Piano Tuning	1,400.00			1,400.00	1,400.00
6259 · Pianist/Organist - Sunday	7,500.00			7,000.00	9,000.00
6260 · Pianist/Organist Special Svcs	500.00			450.00	200.00
6261 · Guest Musicians/Performers	500.00			500.00	500.00
6262 · Guest Preachers/Speakers	4,620.00	+30%	UUA Rate Increase	3,550.00	2,550.00
6263 · Worship Supplies	350.00			350.00	200.00
Total 6250 · Music and Worship	15,670.00			14,050.00	14,300.00
6271 · Bank Fees	500.00	+400%	Reflect Actuals	100.00	100.00
6282 · Payroll Fee	1,700.00	+31%	Reflect Actuals	1,300.00	1,300.00
6283 · Online Giving Fee	800.00	+191%	Breeze Database	275.00	275.00
Total Expense	501,708.81			384,870.62	403,100.06

Endowment Impacts	FY 21-22	FY 20-21	FY 19-20
Total income	152,332.00	148,332.00	147,507.00
Total Expense	(501,708.81)	(384,870.62)	(403,100.06)
Withdrawal as budgeted	(349,376.81)	(236,538.62)	(255,593.06)
Withdrawal as % endowment	-11.23%	-9.05%	-9.36%
Endowment balance	3,109,992.29	2,613,563.97	2,732,143.49
Endowment gains over prior year	18.99%	-4.34%	8.84%